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RE: Docket No. FV03-925-1PR

Federal Register Vol.70, No. 100, Page 30001 Grapes Grown in a Designated Area of Southeastern California and Imported Table Grapes; Proposed Change in Regulatory Period

COMMENTS IN OPPOSITION TO PROPOSED CHANGE

Dear Docket Clerk:

LA ASOCIACION GREMIAL DE AGRICULTORES EL ESTRIBO DE SANTA CRUZ opposes the above referenced change in the effective date of Table Grape Marketing Order 925 and the companion Table Grape Import Regulation 4 that will further restrict table grapes supplied from restrictions being placed on table grapes supplied from Chile. LA ASOCIACION GREMIAL DE AGRICULTORES EL ESTRIBO DE SANTA CRUZ is a trade organization representing 100 growers of fresh fruits in LA SEXTA REGION, including 30 table grape growers from the region.

LA ASOCIACION GREMIAL DE AGRICULTORES EL ESTRIBO DE SANTA CRUZ concurs with, and incorporates herein by reference, the detailed comments and supporting data submitted by ASOEX, the Chilean Exporters Association. Specifically, LA ASOCIACION GREMIAL DE AGRICULTORES EL ESTRIBO DE SANTA CRUZ urges the agency to reject the proposed change in the regulatory period because:

- 1. The Proposed Rule imposes marketing order standards on Chilean supplies when no domestic varieties are available, and therefore constitutes a non-tariff barrier contrary to the terms of WTO Agreements and the U.S.-Chile Free Trade Agreement.
- 2. The Proposed Rule assesses inspection fees starting April 1 when no domestic supplies are being so charged, and thereby violates Article III and Article VIII of GATT 1994.
- 3. The proposed change in the beginning effective date of Marketing Order 925 and Table Grape Import Regulation 4 from April 20 to April 1 will have a direct negative impact on our member growers who ship table grapes from April 1 to April 20.
- 4. The Proposed Rule does not contain any evidence of circumvention by Chilean table grapes sufficient to warrant the proposed change.
- 5. The change in date from April 20 to April 1 will create an artificial shortage of table grapes since there is no other commercially significant and reliable supply from any source other than Chile.

- 6. The Chilean grapes supplied from April 1 to the earliest commercially significant supplies of grapes from Coachella Valley in California meet marketing specifications from retail chains that are more stringent in some respects than the marketing order requirements.
- 7. The proposed change cannot be validly based on a 20 year-old survey of cold storage practices.
- 8. The proposed change can not be justified under the criteria established by the AMAA for a change in the beginning effective date of Marketing Order 925 or the companion Table Grape Import Regulation 4 in view of the record prices received by Coachella Valley growers in the last two seasons.

Members of LA ASOCIACION GREMIAL DE AGRICULTORS EL ESTRIBO DE SANTA CRUZ have made substantial capital investment over time to produce and supply quality table grapes worldwide. The proposed change in the effective beginning date will create a serious business risk to our member growers because of the uncertainty and the cost involved in the transportation of the fruit. We strongly urge USDA to reject the Proposed Rule.

Respectfully submitted,

JUAN ESTEBAN VALENZUELA MORALES PRESIDENTE ASOCIACIÓN GREMIAL DE AGRICULTORES EL ESTRIBO DE SANTA CRUZ